



Milwaukee County Board of Supervisors

Supervisor Deanna Alexander, District 18

For Immediate Release February 6, 2014
Contact: Bill Zaferos, Public Information Manager
414/278-4230 or bill.zaferos@milwcnty.com

SUPERVISOR DEANNA ALEXANDER VOTES AGAINST LIVING WAGE RESOLUTION **Says It Makes Little Economic Sense, Will Hurt Jobs in Milwaukee County**

On Economics

Milwaukee County Supervisor Deanna Alexander today voted against a “living wage” ordinance that would raise the minimum wage to \$11.33 for employees whose employers contract with the County, saying that it did not make economic sense and would cause the loss of jobs in the County.

The resolution passed 12-6, a veto-proof majority. But Alexander said her colleagues were voting based on a disbelief in basic economics.

She cited a column in the Milwaukee Journal Sentinel by Mark Schug and Gordon Gaster, which said, “at the core, it’s pretty simple. The law of demand states that as the price of a good or service increase, consumers will buy less. As the price goes down, consumers will buy more.”

“More than half of Americans support the idea of government mandating higher wages,” Alexander said. “People with a basic understanding of economics scratch their heads at this sort of news. Even in basic high school economics classes, students learn that prices are incentives that influence the actions of buyers and sellers. “

Alexander added that the resolution would actually cost jobs as employers make adjustments to account for the higher wages. In addition, she said the resolution would also cause prices to rise.

Alexander said that by increasing the minimum wage, entry-level employees could be making more than a supervisor, so their wages would have to be raised as well.

“So now you raise the supervisors’ wages too,” she said. “Across departments and organizations, this causes those at the top to also receive increases. As a business owner, by increasing wages, you are forced to choose between carrying less staff, demanding more tax revenue, or opting out of contracts all together. If that happens in the County, we will have fewer businesses to choose from when providing services to the public.”

On Fairness

Setting economic arguments aside, Alexander concluded that she had no choice but to oppose the ordinance because of the clauses that exempt so many employers from complying with it.

“Supporters of a living wage are telling the public that this is about fairness and equality. If that is true, why will all of the people working for cultural institutions and the airport be exempt?” she asked. “And why are businesses able to opt out? Aren’t all employees in need of a living wage?”

“This ordinance might feel good to some for a while, but in the end the County, local businesses, and the employees themselves will be hurt by it,” she said.

###